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Deputy Director
Intelligence Community Staff

ELP

This MR fills out the
background on the
Manned Space Station
we discussed at the
off-site - just to make
you aware before the
1400 brief to the

President

08-09-83

To RAK -

Really First Rate MR

at the first time
DWO

To
=>

25X1

5 August 1983

MEMORANDUM FOR THE RECORD

FROM: [REDACTED]

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Planning and Policy Staff, ICS

SUBJECT: NASA Manned Space Station Briefing to DIRNSA on 4 August 1983

1. At the request of the DIRNSA, I arranged to have John Hodge and Dan Hermann of NASA present the Manned Space Station (MSS) briefing at the DIRNSA Conference Room Thursday, 4 August. In addition to the DIRNSA, about six other NSA staffers, including [REDACTED] were present. [REDACTED] although invited, did not attend.

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2. I picked up Hodge and Hermann at NASA Hqs. and drove them to Ft. Meade. Much of the following was drawn from our conversations in the car and enroute:

- About ten days to two weeks ago, NASA management (Beggs and Mark) were concerned that the Manned Space Station chances for approval had for the first time fallen below 50-50. However, as the Space Strategy Writing Group finished its task, they were more encouraged and hopeful.

- [REDACTED]

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- Hodge offered the observation that the Space Station Report from the Strategy Working Group was a much better product as a result of NASA's opponents in assistance on sharpening and clarifying basic issues. In addition, he felt that NASA's own presentation improved as iterations continued.
- The briefing to LTGEN Faurer was similar to that given to Admiral Burkhalter and John McMahon, but it ended with a straightforward and forceful pitch by Hodge to Faurer to enlist NSA support for the Space Station and to have Faurer convey that support to John McMahon.

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- Faurer's reply was to the effect that while he personally felt the Space Station had significant advantages in terms of America's future in space, he had to look at the NASA proposal at this time as being competitive with his own space program to be accomplished during the same time period. In fact, he noted that the Space Station would be in direct competition for a major block change and a new initiative in the SIGINT area, and that he regarded the civil and national security space programs as being competitive for the same funds. Hodge tried to reassure him that NASA's intent was not to take money from either the scientific or national security community, but Faurer replied that no one, not even the President, could make good on such pledges. He illustrated this by noting Reagan's encouragement to DoD to come in for much larger budgets and then requiring them to negotiate cutbacks. He concluded that there was no way that he would be able to believe that any cuts in his space program would not be directly related to any major expansions in the civil space program.
- In response to a [redacted] question, Hodge noted that the space manufacturers of pharmaceuticals was specifically in the areas of "Beta" substances (an anti-diabetic drug) and anti-cancer (interferon-like) drugs. This is the first time that I have heard specific drug projects identified by NASA. 25X1
- Hodge characterized the cost of the MSS as \$7-9 billion DDT&E to IOC, plus another \$10 billion minimum as interim add-ons. The OTV and manned polar platform would increase overall DDT&E to \$30 billion. At another time, he estimated total MSS related costs to IOC (including instruments for platforms and station, launch costs, mods to other NASA free-flyers to make them MSS service compatible) as between \$20-30 billion. In all cases, O&M costs would be in addition to those cited.
- Hodge also indicated what to me appears to be a recent change in NASA management's position regarding the existence of the MSS in its baseline program if no enhanced budgets were approved. He said that mission and assistance architecture definition and "long-pole" technology would continue for one year regardless of program approval at this time. During that year, NASA would regroup for a following fiscal attempt to program approval. Second year funding would not be guaranteed and the program would come to a halt without Presidential and OMB approval by the end of that year.
- The meeting ended with LTGEN Faurer saying to [redacted] that he, Faurer, would be looking for a draft response to [redacted] on Friday and that he would fine-tune it in time for the CUB Monday requirement. From what [redacted] said to me as we left NSA, I think Faurer will recommend straddling options 2 and 3, but strongly reject option 1 for the previously stated reasons. 25X1 25X1 25X1

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- On our return ride to NASA Hqs., Hodge indicated that he was surprised by LTGEN Faurer's frank and focused rebuttal of the MSS and assumed that similar responses would be received from other intelligence organizations. Regardless of the intelligence position on the options, and even the Presidential decision on them, Hodge feels that there will be a continuing need for a close working relationship between NASA and the Intelligence Community to optimize any future relationships between them.

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